

M e m o r a n d u m

To: Department of Finance
Attn: Kathryn Amann
915 L Street
Sacramento, CA 95814

Date: November 25, 2008

From: Department of Technology Services

Subject: Revised FY 2008/09 Billing Rates Package

The Department of Technology Services (DTS) is pleased to announce additional proposed billing rate changes for FY 2008/09. This continues the DTS' rate adjustments resulting from consolidating DTS service offerings. The first was announced on July 1, 2006, and DTS rates were reduced by approximately \$16.3 million. The second adjustment addressed additional service areas and provided further decreases to rates, in the amount of annual cost savings to DTS customers of \$26.7 million. The third rate adjustment was for FY 2007/08 as well as FY 2008/09 and carried a neutral overall revenue change. The overall goals of the current rate adjustments are to:

- Consolidate rates where there are common or similar services at both DTS data center facilities;
- Eliminate rates, where possible, in an effort to simplify the cost-recovery model for DTS customers; and
- Bring each service to, or as close to, breakeven as possible.

DTS has achieved most of these goals. DTS will provide a separate memorandum outlining areas for future rate adjustments in FY 2009/10 which includes an analysis of the FY 2007/08 and Projected FY 2008/09 revenues and expenses. Recommendations for rate changes will be included in this memorandum to address the DTS under-recovery.

The following is a summary of key changes, with effective dates noted:

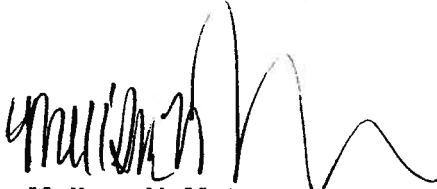
- **COEMS Services:** DTS has revised the COEMS rate calculations based on current FY 08/09 lease costs, utility costs and total square footage. Revised raised floor space calculated to \$17.00 per square foot and revised office space calculated to \$4.00 per square foot. The projected net impact of these changes will be an increase to DTS' COEMS revenue of 116% or an additional revenue collection of \$77,981 per month. The proposed effective date for this change is January 1, 2009. DTS will revise COEMS rates in the future when a second data center is acquired and if square footage costs significantly change.
- **Sharing DTS Online Open Exams Lists:** DTS has decided to eliminate Online exams from the rate package material. State Personnel Board (SPB) will be the owner or Online Open exams and will administer the online Internet exam system.

- **Print Services:** The DTS is proposing to adjust the rates for print output services. Outsourced vendor contract costs are continuing to increase, while DTS has not adjusted the rates for Print services since 1997. DTS proposes to increase the rates in "steps" to mitigate the impact to customers. Also the current outsourced contract is a one year term. DTS is also looking at other alternatives of electronic methods of data retention and recovery for customers. The proposed effective dates for these changes are January 1, 2009 and July 1, 2009.
- **Enhancements to the Statewide E-mail Service Offering:** The E-hub enhancement for Statewide E-mail will be submitted under separate cover through DTS' New Services Methodology. The Business Plans for Statewide E-mail enhancements E-fax and Encryption are attached for your review.

When the COEMS and Print rate changes are implemented, the resulting impact to revenue will be an increase of \$1,006,742 to DTS revenue in FY 2008/2009, and \$2,717,357 in FY 2009/2010, assuming the two-step print rate increases are implemented in both fiscal years.

Please refer to the attached service area rate methodology descriptions and cost analysis spreadsheets for more detail regarding each of these rate changes.

If you should have any questions, please contact Colleen Field, Manager, Rates and Cost Recovery at (916) 739-7904 or by email at colleen.field@dts.ca.gov.



Melissa N. Matsuura

Acting Deputy Director, Administration Division
Department of Technology Services

Attachments

RATE PACKAGE #4
Customer Impact for FY 08/09
***Effective January 2009 (6 months)**

Agency Code	Customer	Monthly COEMS	Monthly Print	6 Month Difference
TR	CalTrans	\$42,322	\$10,989	\$319,866
HD	Dept of Health Care Services	\$17,686	\$21,549	\$235,410
BP	Dept of Social Services		\$18,395	\$110,370
CS	DOF, CalSTARS		\$17,399	\$104,394
HP	Highway Patrol		\$7,459	\$44,754
DS	Dept of Developmental Services		\$5,614	\$33,684
V2	ISAWS - Dept of Social Services	\$4,056		\$24,338
SB	University of CA - SF Medical Center	\$3,920		\$23,520
SA	Student Aid	\$2,450		\$14,700
RB	California Horse Racing Board		\$1,884	\$11,304
MH	Dept of Mental Health	\$530	\$915	\$8,670
OA	Dept of Alcohol Drug Programs		\$1,342	\$8,052
GS	Dept of General Services		\$1,154	\$6,924
ST	CALSTRS	\$980	\$57	\$6,222
PR	Parks & Recreation	\$840	\$45	\$5,310
AB	Alcoholic Beverage Control	\$190	\$650	\$5,040
IR	Industrial Relations	\$680	\$1	\$4,086
CR	Dept of Corrections & Rehabilitation		\$568	\$3,408
ED	Dept of Education	\$490	\$64	\$3,324
UC	Public Utilities Commission	\$530	\$10	\$3,240
SS	Secretary of State	\$530		\$3,180
FI	Dept of Finance	\$530	(\$1)	\$3,174
CN	Child Support Services	\$520	\$2	\$3,132
CB	Judicial Council	\$490		\$2,940
U8	University of CA - San Francisco	\$490		\$2,940
RH	Dept of Rehabilitation		\$463	\$2,778
B8	Dept of Social Services - EBT	\$367		\$2,202
CA	Dept of Consumer Affairs		\$326	\$1,956
PI	Prison Industry Authority		\$249	\$1,494
AR	Air Resources Board	\$190		\$1,140
LV	City of Livermore	\$190		\$1,140
PG	Board of Parole Hearings		\$114	\$684
PA	CalPERS		\$97	\$582
GH	Ca Medical Assistance		\$86	\$516
UI	San Jose State		\$79	\$474

RATE PACKAGE #4
Customer Impact for FY 08/09
***Effective January 2009 (6 months)**

Agency Code	Customer	Monthly COEMS	Monthly Print	6 Month Difference
H1	Dept. of Public Health		\$79	\$474
EQ	Board of Equalization		\$56	\$336
C9	California Community Colleges		\$38	\$228
CD	Housing & Community Development		\$36	\$216
EM	Dept of Employment Development		\$24	\$144
BK	Board of Barbering and Cosmetology		\$18	\$108
EA	Emergency Medical Services Auth		\$15	\$90
UH	Humboldt State		\$8	\$48
MV	Dept of Motor Vehicles		\$6	\$36
AK	Board of Accountancy		\$4	\$24
UK	Cal Poly University		\$4	\$24
V4	Child Support Services - CASES		\$3	\$18
ER	Energy Resources Conservation & Development		\$3	\$18
LO	CA State Lottery		\$3	\$18
VA	Veterans Affairs		\$3	\$18
EU	EDD		\$2	\$12
C6	County of Sacramento		\$1	\$6
FD	Board of Funeral Directors		\$1	\$6
FG	Dept of Fish & Game		\$1	\$6
BC	Victims Compensation and Gvt Claims		\$1	\$6
EN	Board for Registered Professional Engineers		\$1	\$6
UJ	Stanislaus State		\$1	\$6
PF	Physical Therapy Examining Commission		\$1	\$6
PB	State Personnel Board		(\$1)	(\$6)
AC	Arts Council		(\$1)	(\$6)
CO	State Controller's Office		(\$1)	(\$6)
AF	Bureau of Auto Repairs		(\$1)	(\$6)
AU	Bureau of State Audits		(\$1)	(\$6)
BH	Board of Behavioral Sciences		(\$1)	(\$6)
FA	Food and Agriculture		(\$1)	(\$6)
OT	State Treasurers Office		(\$3)	(\$18)
TOTALS		\$77,981	\$89,809	\$1,006,742

RATE PACKAGE #4
Customer Impact for FY 09/10
***12 Months Total**

Agency Code	Customer	Monthly COEMS	Monthly Print	Annual Difference
TR	CalTrans	\$42,322	\$17,463	\$717,420
HD	Dept of Health Care Services	\$17,686	\$40,970	\$703,872
BP	Dept of Social Services		\$25,537	\$306,444
CS	DOF, CalSTARS		\$24,674	\$296,088
HP	Highway Patrol		\$12,730	\$152,760
DS	Dept of Developmental Services		\$11,799	\$141,588
VZ	ISAWS - Dept of Social Services	\$4,056		\$48,677
SB	University of CA - SF Medical Center	\$3,920		\$47,040
RB	California Horse Racing Board		\$3,628	\$43,536
AB	Alcoholic Beverage Control	\$190	\$3,402	\$43,104
SA	Student Aid	\$2,450	\$2	\$29,424
GS	Dept of General Services		\$1,636	\$19,632
MH	Dept of Mental Health	\$530	\$824	\$16,248
OA	Dept of Alcohol Drug Programs		\$1,210	\$14,520
CR	Dept of Corrections & Rehabilitation		\$1,136	\$13,632
ST	CALSTRS	\$980	\$85	\$12,780
PR	Parks & Recreation	\$840	\$64	\$10,848
CA	Dept of Consumer Affairs		\$733	\$8,796
IR	Industrial Relations	\$680	\$5	\$8,220
PI	Prison Industry Authority		\$668	\$8,016
RH	Dept of Rehabilitation		\$638	\$7,656
ED	Dept of Education	\$490	\$106	\$7,152
UC	Public Utilities Commission	\$530	\$9	\$6,468
FI	Dept of Finance	\$530	\$4	\$6,408
SS	Secretary of State	\$530		\$6,360
CN	Child Support Services	\$520	\$6	\$6,312
CB	Judicial Council	\$490		\$5,880
U8	University of CA - San Francisco	\$490		\$5,880
B8	Dept of Social Services - EBT	\$367		\$4,404
H1	Dept. of Public Health		\$223	\$2,676
AR	Air Resources Board	\$190		\$2,280
LV	City of Livermore	\$190		\$2,280
PG	Board of Parole Hearings		\$171	\$2,052

RATE PACKAGE #4
Customer Impact for FY 09/10
***12 Months Total**

Agency Code	Customer	Monthly COEMS	Monthly Print	Annual Difference
PA	CalPERS		\$137	\$1,644
GH	Ca Medical Assistance		\$122	\$1,464
EQ	Board of Equalization		\$79	\$948
UI	San Jose State		\$71	\$852
C9	California Community Colleges		\$62	\$744
CD	Housing & Community Development		\$56	\$672
OT	State Treasurers Office		\$37	\$444
EM	Dept of Employment Development		\$31	\$372
MV	Dept of Motor Vehicles		\$31	\$372
BK	Board of Barbering and Cosmetology		\$20	\$240
EA	Emergency Medical Services Auth		\$14	\$168
PB	State Personnel Board		\$13	\$156
V4	Child Support Services - CASES		\$8	\$96
UH	Humboldt State		\$7	\$84
AK	Board of Accountancy		\$6	\$72
AF	Bureau of Auto Repair		\$6	\$72
ER	Energy Resources Conservation & Development		\$5	\$60
BH	Board of Behavioral Science		\$5	\$60
C6	County of Sacramento		\$4	\$48
LO	CA State Lottery		\$4	\$48
UK	Cal Poly University		\$3	\$36
VA	Veterans Affairs		\$3	\$36
FD	Board of Funeral Directors		\$3	\$36
AC	Arts Council		\$2	\$24
FG	Dept of Fish & Game		\$2	\$24
EU	EDD		\$2	\$24
FA	Dept. of Food and Agriculture		\$2	\$24
PF	Physical Therapy Examining Commission		\$2	\$24
BC	Victims Compensation and Gvt Claims		\$1	\$12
EN	Board for Registered Professional Engineers		\$1	\$12
UJ	Stanislaus State		\$1	\$12
AU	Bureau of State Audits		\$1	\$12
CO	State Controller's Office		\$1	\$12

RATE PACKAGE #4

Customer Impact for FY 09/10

*12 Months Total

Agency Code	Customer	Monthly COEMS	Monthly Print	Annual Difference
TOTALS		\$77,981	\$148,464	\$2,717,357

Department of Technology Services
Rate Package #4
Fiscal Year 2008/09
Proposed Effective Date: January 2009
Rate Change Detail

Service Name: Customer Owned Equipment Managed Services (COEMS)
Comp Code: F103
Cost Center: 899

Issue/Reason for Rate Change:

DTS is proposing to increase the rates for Customer Owned Equipment Managed Services (COEMS). The purpose for this rate change is to recover the actual raised floor space costs and all associated facilities costs. COEMS offers lower cost alternatives and quality efficiencies for customers who do not need fully managed services. Customers are interested in this alternative because it offers customers a secure place to physically house their hardware, as opposed to locating it in their office, warehouse or hallway closet where the potential for fire, theft or vandalism is much greater. COEMS offers high security, including fire detection and suppression, redundant power feeds, filtered power, backup power generators and other items to assure the high availability that is mandatory for web-based, virtual businesses. DTS has received numerous requests for cost estimates to house customer equipment. DTS is experiencing a large volume of COEMS customer requests due to our current low-priced COEMS rates. Raised Floor space has become very expensive to design and build and the full costs are not reflected in the current DTS published rates; this has created more customer interest in DTS COEMS services to house their equipment. Outside industry COEMS (Colocation) rates vary at start up rates of \$99 per month for a 1U server to \$900 per month for a private full cage. DTS is also proposing a rate for reserving raised floor space for COEMS customers. This will require customers who wish to accept a COEMS cost estimate to then pay to reserve the raised floor space until the equipment is moved onto the DTS raised floor. This gives DTS the ability to manage floor space for customer requests. The COEMS service offering has impacted DTS' ability to manage resources and growth when the floor space is committed long term to dedicated customer usage (i.e., saving of raised floor space for potential COEMS customers who may not materialize).

Rate Methodology Used to Develop Rates:

The rate for this service is based on the Service Rate Methodology. The Service Rate Methodology involves building a service rate based on the estimated costs for the entire service at a given volume level. The following process was used to determine rates using this methodology:

1. Billable Unit: Per COEMS Customer cabinet
2. Direct cost components: cabinet, raised floor space costs, utility costs, electrical circuits, DTS staff support, and remote hands (staff time to reset equipment and/or push a button)
3. Attributes: annual facility, utility and DTS staff costs were used to calculate the COEMS rates divided by 12 to achieve monthly costs. A three year amortization for the cabinet was used. Included in the COEMS cabinet rate are costs for

raised floor space. Please note that raised floor space calculated to \$17.00 per sq feet. Office space calculated to \$4.00 per square feet.

4. Indirect cost components include: Change Management, Facilities, Help Desk Technical Support, System Security, Network Infrastructure, and Administrative Overhead. These costs were allocated based on established methodologies.
5. The sum of the direct and indirect costs represents the cost to provide the service.
6. The billable rates are the monthly costs used as the denominator in the formula below to be able to recover the cost of the service.

$$\text{RATE per Billable Unit} = \frac{\text{Cost of Service}}{\text{Volume of Billable Units}}$$

Summary/Description of Service Offering:

The primary benefit of the COEMS service is to provide customers a fully redundant, highly secure facility to physically house their IT equipment. Customer equipment is housed in a 2' x 3' secure cabinet. Customers pay a monthly rate for the cabinet - either DTS owned or Customer owned and provided, which occupies approximately 25 square feet of floor space. Customers whose equipment exceeds the 2' x 3' cabinet space will be charged an additional \$17 per square foot for extra floor space that exceeds the allotted 2' x 3' space. While relatively simple, the COEMS service can represent a significant improvement in the quality and security of an IT system in comparison to having that same system housed at the customer's facility. Currently many departments deploy equipment in their offices, closets, or warehouses where they are not able to provide adequate data/system support and security. The following is a list of some specific customer benefits to having their system housed at the data center:

- Located in a Seismically-Neutral Area Outside the 500-Year Flood Plain
- Cost Savings and Quality Efficiencies for customers who do not need fully managed services
- Backup Support for Customer Systems, Applications and Data
- Offsite Storage Services
- Physically Secure Location for Equipment and Work Areas for Customers
- Secure State-of-the-Art Facility and Computer Room
- Redundant UPS and Backup System for power
- High Speed Redundant Network Backbone
- Fire Detection and suppression Systems
- Locking cabinets for server and network equipment
- Customer/vendor access to computer room as needed
- 24x7 Remote Hands Support from Help Desk

Department of Finance (DOF) approved the COEMS service offering and rates in October 2004. DTS has not revised the COEMS rates since that time. DTS is requesting to adjust rates to recover actual raised floor space costs, associated facility costs, DTS staff costs and include a rate for reserving raised floor space.

Current Billing Method:

Customers are currently charged a per cabinet rate plus additional add-on services.

Proposed COEMS Rates:

Service	Proposed Rates	Current Rates	Net Change
DTS Owned Cabinet – Full (per cabinet)	\$830	\$300	177%
DTS Owned Cabinet – Half	\$0	\$170	
Customer Owned Cabinet (per cabinet)	\$720	\$230	213%
Floor Space Reservation (per cabinet space requirements)	\$545	\$0	100%
Office Space (per square footage)	\$4.00	\$0	100%

Customer Impact:

Please see attached spreadsheet detail by customer.

COEMS DTS Owned Cabinet: An increase of 177%

COEMS Customer Owned Cabinet: An increase of 213%

Revenue Impact:

These rate changes will increase COEMS revenues by \$77,981 per month.

Customer Impacts for COEMS Rates

Customer Name	Prefix	# of Cabinets	Current Rates	Proposed Rates	Difference	Difference
			@	@	Monthly	Annual
Alcoholic Beverage Control	AB	0.5	\$170	\$360	\$190	\$2,280
Air Resources Board	AR	0.5	\$170	\$360	\$190	\$2,280
Judicial Council	CB	1	\$230	\$720	\$490	\$5,880
Dept of Education	EL	1	\$230	\$720	\$490	\$5,880
Dept of Finance*	FI	1	\$300	\$830	\$530	\$6,360
Dept of Health Care Services	HD	14	\$3,220	\$10,080	\$6,860	\$82,320
Dept of Health Care Services	HD	20	\$4,600	\$14,400	\$9,800	\$117,600
Industrial Relations	IR	0.5	\$170	\$360	\$190	\$2,280
Industrial Relations	IL	1	\$230	\$720	\$490	\$5,880
City of Livermore	LV	0.5	\$170	\$360	\$190	\$2,280
Dept of Mental Health	MH	1.0	\$300	\$830	\$530	\$6,360
Parks & Recreation	PR	2	\$600	\$1,440	\$840	\$10,080
Student Aid	SA	5	\$1,150	\$3,600	\$2,450	\$29,400
University of CA - SF Medical Center	SB	8	\$1,840	\$5,760	\$3,920	\$47,040
Secretary of State	SS	1	\$300	\$830	\$530	\$6,360
CalSTRS	ST	2	\$460	\$1,440	\$980	\$11,760
CalTrans**	TR	76	\$12,398	\$54,720	\$42,322	\$507,859
Public Utilities Commission	UC	1	\$300	\$830	\$530	\$6,360
University of CA - San Francisco	U8	1	\$230	\$720	\$490	\$5,880
Total			\$27,068	\$99,080	\$72,012	\$864,139
Currently only paying floor space @ \$12.93						
CSS - SFIS***	B6	22	\$12,102	\$18,260	\$6,158	\$73,890
CSS/OSI, EBT	B8	2	\$1,293	\$1,660	\$367	\$4,404
Child Support Services	CN	1	\$460	\$720	\$260	\$3,120
Child Support Services	CN	1	\$460	\$720	\$260	\$3,120
Social Services ISAWS	V2	22	\$14,204	\$18,260	\$4,056	\$48,677
Health Care Services - ITSD	HD	2	\$414	\$1,440	\$1,026	\$12,312
Total			\$28,933	\$41,060	\$12,127	\$145,523
Total			\$56,001	\$140,140	\$84,139	\$1,009,662
Taking out SFIS new monthly cost				(\$18,260)	(\$6,158)	
				\$121,880	\$77,981	

Notes:

*Dept of Finance and DTS have a MOU in place for \$300 per month floor space swap. DTS uses DOF space.

**CalTrans is currently paying for \$8.20 x 1,512 square feet = \$12,398 per month. They will need to be converted to 76 cabinets and charged COEMS customer owned cabinet rates at \$720 * 76 cabinets = \$54,720.

***Child Support Services - SFIS moving outside of DTS. In the interim SFIS equipment will move from the South Annex to the Cannery Raised Floor.

Department of Technology Services
Rate Package #4
Fiscal Year 2008/09
Proposed Effective Date: January 2009 and July 1, 2009
Rate Change Detail

Service Name: Print Services
Comp Codes: P101 through P310
Cost Center: 038

Issue/Reason for Rate Change:

DTS is proposing to increase the rates for Print services. The current under-recovery is caused by outsourced vendor contract costs continuing to increase, while DTS has not adjusted the rates for Print services since 1997. The current vendor contract is for a one year term with an option to renew for one additional year. The purpose for this rate change is to move closer to fully recovering the actual outsourced vendor contract costs (Contract #07E110444) plus the DTS staff support costs, including hardware, hardware maintenance, software, and indirect expenses.

A second important reason for realigning the print rates is that the current print rates being charged at Cannery and at Gold Camp have differed since consolidation and must be corrected to a single DTS print rate.

The DTS plans on moving the print outsource process from a private vendor to a state department, thus, costs are expected to be reduced by an unknown amount. Rates will be recalculated as necessary to the then-current break-even levels.

The DTS considered two options to bring Print rates closer to full cost recovery:

- **Option 1:** Increase the DTS published rates by 100% effective January 1, 2009. Increase the DTS published rates by an additional range of from 31% to 193% (see Print Proposed Rates Table, next page) to be effective July 1, 2009. The vendor and DTS support costs would be fully recovered when the second rate increase is implemented.
- **Option 2:** Increase the published DTS print rates by 450% which would immediately have the effect of fully recovering the combined vendor and DTS support costs.

DTS is recommending Option 1 at this time. The increase of 100% to the DTS print rates in each of two phases will help mitigate the customer impact while bringing DTS Print services to break-even cost recovery. The rate changes to be effective July 1, 2009 vary in percentage in order to bring the DTS published rate into closer relative alignment with the outsourcing contractor's rates.

Summary/Description of Service Offering:

The DTS provides customers with services. The printed materials are either printed on customer-provided forms or DTS forms using impact or laser printers and continuous form printers. The printed materials are picked up from the outsourcing vendor via DTS courier service and returned to DTS campuses and then processed through the Chain-of-Custody procedures. If a DTS customer also uses the DTS courier service contract, then DTS will send the customers their print output via the DTS courier. Otherwise, customers may retrieve their print output directly from DTS, by sending their own courier. Print services are available 24 hours a day, 7 days a week.

PRINT Proposed Rates:

Service	Current Rates	Proposed Rates 1/1/2009	% Change 1/1/2009	Proposed Rates 7/1/2009	% Change 7/1/3009	Total % Change 2008/2010
Black & White Print – Contractor Supplied Forms (Continuous Forms)	\$0.029/page	\$0.058	100%	\$.14	141%	383%
Black & White Print – Contractor Supplied Forms (Cut Sheet – Xerox)	\$0.029/page	\$0.058	100%	\$.16	176%	452%
Black & White Print – Contractor Supplied Forms (Impact Print)	\$0.029/page	\$0.058	100%	\$.17	193%	486%
Customer-Supplied Forms	\$0.029/page	\$0.058	100%	\$.14	141%	383%
Labels	\$.0964/page	\$0.145	50%	\$.19	31%	212%
Burst & Trim	\$0.00/foot	\$0.03	100%	\$.08	166%	100%

Rate Methodology Used to Develop Rates:

The rate for this service is based on the Service Rate Methodology. The Service Rate Methodology involves building a service rate based on the estimated costs for the entire service at a given volume level. The following process was used to determine rates using this methodology:

1. Billable Unit: Per Page
2. Direct cost components: hardware, hardware maintenance, software, direct vendor costs, indirect costs, and DTS staff support.
3. Attributes: annual expenses were used to calculate the Print rates divided by 12 to achieve monthly costs.
4. Indirect cost components include: Change Management, Help Desk, PC/LAN desktop support, Facility costs and Administrative Overhead. These costs are allocated based on established methodologies.
5. The sum of the direct and indirect costs represents the cost to provide the service.
6. The billable rates are the monthly costs used as the denominator in the formula below to be able to recover the cost of the service.
- 7.

RATE per Billable Unit =

Projected volumes
Contract rate plus DTS support costs

Please also note that the FY 07/08 expenses were adjusted downward to correct incorrect staffing allocations that were previously being allocated to this service area.

Current Billing Method:

Customers are currently charged by measured usage for print and forms usage multiplied times the published rate for print and forms usage.

Currently DTS charges print rates of \$.0290 plus an additional charge for forms also
Forms rates range from \$0.32 to \$2.79

DTS is proposing to simplify print rates into 6 rates:

- 1) Continuous Forms: Black and White Print Contractor Supplied Forms
- 2) Cut Sheet Xerox: Black and White Print Contractor Supplied Forms
- 3) Impact Print: Black and White Print Contractor Supplied Forms
- 4) Customer Supplied Forms*
- 5) Labels
- 6) Burst & Trim

Customer Impact:

Please see attached spreadsheet detail by customer.

Revenue Impact:

These rate changes will increase Print revenues by \$538,846 in FY 2008/09 (6 months' initially increased rates effective January 1, 2009) and \$1,781,609 in FY 2009/2010 (12 months' additional rate increase effective July 1, 2009, and includes the rate increase effective January 1, 2009).

FY 2009/2010 - 12 month

Customer Name	Prefix	Default	Current Rates	Proposed Rates	Diff	Impact	Current Rates	Proposed Rates	Diff	C. Forms	Current Rates	Proposed Rates	Diff	Xerox	Current Rates	Proposed Rates	Diff	Customer Forms	Current Rates	Proposed Rates	Diff	Monthly Difference	Annual Difference
Alcoholic Beverage Control	AB	13,025	\$755.45	\$1,023.50	\$1,008.05																		
Arts Council	AC	8	\$0.46	\$1.12	\$0.66					14	\$0.81	\$2	\$1										
Bureau of Auto Repairs	AR	150	\$8.70	\$21.00	\$12.30																		
Bureau of Accountancy	AK	25	\$1.45	\$3.50	\$2.05																		
Bureau of State Audits	AU	5	\$0.29	\$0.70	\$0.41																		
Victims Compensation and Gov Claims	BC	8	\$0.46	\$1.12	\$0.66	5	\$0.290	\$0.650	\$1														
Board of Behavioral Sciences	BH	58	\$3.36	\$8.12	\$4.76																		
Board of Barbership and Cosmetology	BK	40	\$2.32	\$5.60	\$3.28																		
Board of Social Services	BP	133,562	\$7,747.76	\$18,701.48	\$10,953.72	5,687	\$330	\$967	\$637	147,245	\$5,540.21	\$20,614	\$12,074	18,358	\$1,064.76	\$2,937.28	\$1,872.52						
Dept. of Consumer Affairs	CA	943	\$54.69	\$132.02	\$77.33	3,020	\$175	\$513	\$338	993	\$57.59	\$139	\$81	2,304	\$133.63	\$368.64	\$235.01	17.00	\$0.99	\$2.38	\$1.39		
Housing & Community Development	CD	296	\$14.85	\$35.84	\$20.99					423	\$24.53	\$59	\$35										
Child Support Services	CO	79	\$4.58	\$11.06	\$6.48																		
SCO	CO	17	\$0.99	\$2.38	\$1.39																		
Dept. of Corrections & Rehabilitation	CR	4,375	\$253.75	\$612.50	\$358.75	297	\$17	\$50	\$33	4,357	\$252.71	\$610	\$357	3,790	\$219.82	\$608.40	\$386.58						
DOR, CalSTRS	CS	180,767	\$3,324.79	\$22,507.38	\$13,182.89	8	\$0.464	\$1	\$1	139,812	\$8,109.10	\$19,574	\$11,465	253	\$14.67	\$40.48	\$25.81						
County of Sacramento	CS	18	\$1.04	\$2.52	\$1.48																		
Developmental Services	CS	305	\$17.69	\$42.70	\$25.01																		
Delaware Valley Community College	CV	74,751	\$4,335.56	\$10,465.14	\$6,129.58	150	\$9	\$26	\$17	67,610	\$3,921.38	\$9,465	\$5,544	1,063	\$24	\$14	\$108.43						
Emergency Medical Services Auth	EA	10	\$0.00	\$0.00	\$0.00																		
Dept. of Education	ED	294	\$17.05	\$41.16	\$24.11	254	\$15	\$43	\$28	648	\$37.58	\$91	\$53										
EDD	ED	171	\$9.92	\$23.94	\$14.02					205	\$11.89	\$29	\$17										
Bd for Registered Professional Engineers	EN	7	\$0.41	\$0.98	\$0.57					7	\$0.41	\$1	\$1										
Board of Equalization	EQ	309	\$17.92	\$43.26	\$25.34					618	\$35.84	\$87	\$51										
Energy Resources Conservation & Development	ER	25	\$1.45	\$3.50	\$2.05					38	\$2.20	\$5	\$3										
EDD	EU		\$0.00	\$0.00	\$0.00					23	\$1.33	\$3	\$2										
Food and Agriculture	FA	24	\$1.39	\$3.36	\$1.97																		
Board of Funeral Directors	FD	10	\$0.56	\$1.40	\$0.82	15	\$0.870	\$3	\$2					12	\$0.70	\$1.92	\$1.22						
Dept. of Fish & Game	FG	6	\$0.35	\$0.84	\$0.49																		
Dept. of Finance	FI	53	\$3.07	\$7.42	\$4.35																		
Ca Medical Assistance	FL	784	\$45.47	\$109.76	\$64.29																		
Dept. of General Services	GI	12	\$0.70	\$1.68	\$0.98					699	\$40.54	\$98	\$57										
Dept. of General Services	GS	82	\$4.76	\$11.48	\$6.72					24	\$1.39	\$3	\$2										
Dept. of General Services	GT	584	\$33.87	\$81.76	\$47.89					164	\$9.51	\$23	\$13										
Dept. of General Services	GU	1,117	\$64.79	\$156.38	\$91.59					1,168	\$67.74	\$164	\$96										
Dept. of General Services	GI	4,868	\$24.08	\$65.72	\$40.64					2,229	\$129.28	\$312	\$183										
Dept. of Health Care Services	HO	227,659	\$12,215.82	\$31,900.26	\$18,684.44	96,639	\$5,617	\$16,463	\$10,846	128,057	\$7,427.31	\$17,928	\$10,501	9,201	\$533.66	\$1,472.16	\$938.50						
Highway Patrol	HP	62,814	\$3,943.21	\$8,793.96	\$5,150.75	4,718	\$274	\$802	\$528	85,987	\$4,987.25	\$12,038	\$7,051										
Dept. of Industrial Relations	IR	44	\$2.55	\$6.16	\$3.61																		
Dept. of Industrial Relations	LO	15	\$0.87	\$2.10	\$1.23					14	\$0.81	\$2	\$1										
Dept. of Mental Health	MH	14	\$0.81	\$1.96	\$1.15					30	\$1.74	\$4	\$2										
Dept. of Motor Vehicles	MV	218	\$12.64	\$30.52	\$17.88					10,026	\$581.51	\$1,404	\$822	6	\$0.35	\$0.96	\$0.61						
Dept. of Motor Vehicles	MW	34	\$4.76	\$2.79	\$2.79					68	\$3.94	\$10	\$6										
Dept. of Motor Vehicles	M2	18	\$1.04	\$2.52	\$1.48																		
Dept. of Alcohol Drug Programs	OA	12	\$0.70	\$1.68	\$0.98					14,738	\$854.80	\$2,063	\$1,209										
State Treasurers Office	OT	445	\$25.81	\$62.30	\$36.49					6	\$0.35	\$1	\$0										
CalPERS	PA	555	\$32.19	\$77.70	\$45.51					1,110	\$64.38	\$155	\$91										
State Personnel Board	PB	156	\$9.16	\$22.12	\$12.96																		
Physical Therapy, Examining, Comm.	PE	27	\$1.57	\$3.78	\$2.21																		
Board of Parole Hearings	PG	760	\$44.08	\$106.40	\$62.32																		
Prison Industry Authority	PI	2,371	\$137.52	\$331.94	\$194.42					1,320	\$76.56	\$185	\$108										
Dept. of Parks & Recreation	PR	264	\$15.31	\$36.96	\$21.65					532	\$30.86	\$74	\$44	4,211	\$244.24	\$673.76	\$429.52						
California Board of Equalization	QB	12	\$0.70	\$1.68	\$0.98					513	\$29.75	\$72	\$42										
California Horse Racing Board	RB	2,816	\$163.33	\$394.24	\$230.91					3,827	\$204.57	\$494	\$298	30,394	\$1,762.85	\$4,663.04	\$2,900.19						
Dept. of Rehabilitation	RH	3,942	\$228.64	\$551.88	\$323.24	72	\$4	\$12	\$8	3,866	\$222.49	\$537	\$315										
CalSTRS	ST	355	\$20.59	\$49.70	\$29.11					639	\$37.06	\$89	\$52	36	\$2.09	\$5.76	\$3.67						
Dept. of Transportation	TR	72,576	\$4,209.52	\$10,160.92	\$5,951.40	12,652	\$734	\$2,151	\$1,417	123,109	\$7,140.32	\$17,235	\$10,095										
Ca Public Utilities Commission	UC		\$0.00	\$0.00	\$0.00					115	\$6.67	\$16	\$9										
Humboldt State	UH		\$0.00	\$0.00	\$0.00					85	\$4.93	\$12	\$7										
San Jose State	UI		\$0.00	\$0.00	\$0.00					867	\$50.29	\$121	\$71										
Stanislaus State	US		\$0.00	\$0.00	\$0.00					9	\$0.52	\$1	\$1										
Cal Poly University	UK		\$0.00	\$0.00	\$0.00					41	\$2.38	\$6	\$3										
Veterans Affairs	VA	10	\$0.56	\$1.40	\$0.82					30	\$1.74	\$4	\$2										
Child Support Services - CASES	VA	98	\$5.68	\$13.72	\$8.04																		

Current Monthly Revenue	\$100,993
Current Annual Revenue	\$1,211,916
Additional Monthly Revenue	\$148,467
Additional Annual Revenue	\$1,781,609
New Monthly Revenue	\$249,460
New Annual Revenue	\$2,993,525



Department of Technology Services

Building and supporting California's technology infrastructure.

Statewide Email Service E-Fax Feature Business Plan

November 2008

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Overview

Over the last 20 years, email has become the preferred channel of communication for state agencies and has evolved into a mission critical tool for government. Today, email is the core of communication and collaboration. As a result, the basic business requirements for email systems in terms of availability, security and remote and mobile access have become somewhat standardized. However, emerging requirements on the use of email systems such as disaster recovery, email faxination (e-fax), encryption of certain messages, litigation holds and archiving for document retention and new e-discovery laws, are requiring agencies to reexamine and redesign their existing email solutions.

For years DTS has had e-fax capabilities for DTS employees only. As interest in CA.mail continues to grow, additional service capabilities are required and requested by current and prospective customers. E-fax allows for (1) the sending of documents through email directly to a fax machine, and (2) the receipt of a faxed document in the recipient's mailbox.

Business Drivers

The key business drivers for an e-fax solution are derived primarily from current and potential customer requests for this capability. In addition, in each scenario where e-fax capabilities can be used, it contributes to the State's and the DTS' desire to reduce the use of consumable resources (electricity and paper). Listed below are key business drivers and a discussion of each.

Email E-Fax	
Title of Driver	Customer Demand
Business Driver Type	Service
Description	In meeting with prospective CA.mail customers, the CA.mail service team has learned that some of these customers currently employ e-fax capabilities in their current email environments. Some of these customers have stated that they would require the DTS to implement e-fax capability in order for them to subscribe to the service.
Source	Customers
Citation	N/A
Impact	Low – Technology already deployed at the DTS
Current Efforts	The DTS already has the infrastructure deployed to utilize this capability internally. Minimal work would be needed to offer this enhancement to customers.

Why are current efforts insufficient?	E-fax is not currently offered.
Other potential solutions	The DTS currently uses the RightFax software to satisfy this need. There are other e-fax products on the market. Evaluating and implementing other solutions would take considerable time and retraining of staff.
Title of Driver	Reduction of consumable resources.
Business Driver Type	Environmental
Description	<p>There are two scenarios that e-fax can be used.</p> <ol style="list-style-type: none"> 1) The sending of online documents from the senders email system to a fax machine. 2) The receipt of a fax in the recipient's mailbox from a fax machine. <p>In both scenarios, the use of electricity is reduced because only one fax machine is used instead of two fax machines in the typical fax scenario.</p> <p>In both scenarios, paper is saved because the recipient gets an electronic copy of the fax instead of a printed copy off a fax machine, and the need to print a copy of a document and then fax it is also eliminated.</p>
Source	State
Citation	The DTS Strategic Plan, Goal 6.
Impact	Low – The reduction of electricity and paper would be minimal.
Current Efforts	The DTS already has the infrastructure deployed to utilize this capability internally. Minimal work would be needed to offer this enhancement to customers.
Why are current efforts insufficient?	E-fax is not currently offered.
Other potential solutions	The DTS currently uses the RightFax software to satisfy this need. There are other e-fax products on the market. Evaluating and implementing other solutions would take considerable time and retraining of staff.

Business and Technical Requirements

Business and functional requirements for e-fax are listed in the sections that follow.

Business Objectives and Requirements

The key business objectives and requirements of the system echo those of the Statewide Email system itself:

Provide a feature-rich statewide email offering that:

- Provide capabilities within statewide email that provide value to customers.
- Provide capabilities that will be used by multiple customers.

Reduce Cost and Complexity to:

- Reduce the number of state email systems.
- Increase the standardization of email application/version implementations supported by the State.
- Reduce the number of servers used to provide the state's email functionality.
- Reduce the staff resources required to support the state's email functionality.
- Reduce the number of independent efforts to develop new email features.

Increase Business Value to End User to:

- Increase email features and service levels available to state employees.
- Increase the number of mailboxes available in an enterprise directory.
- Increase the number of users that share calendaring functionality.
- Increase the availability of Service Desk for email to state employees.
- Increase availability of email services state employees.

Customer Requirements:

The lack of an e-fax solution for the CA.mail service is a barrier to Customer Adoption. The following existing and potential CA.mail customers have indicated a requirement for email e-fax:

<u>Organization</u>	<u>Number of mailboxes</u>
Office of Systems Integration	600
Department of Consumer Affairs	3,000
Employment Development Department	9,200
Department of General Services	4,500

Technical Requirements

The e-fax system is already employed within the CA.mail infrastructure.

The e-fax product should:

- Allow the sending of online documents from the senders email system to a fax machine.
- Allow the receipt of a fax in the recipient's mailbox from a fax machine.

- Support customizable cover sheets for each department.
- Provide extensive built-in reporting, including:
 - Account Usage Report
 - Message History Report
 - Retry History Report
 - Response Log Report
 - Audit History Report
 - Tracking Report
- Provide extensive logging and message search/tracking facilities.
- Not require additional client software in order to send/receive faxes.
- Support multiple customers.
- Integrate with the current CA.mail infrastructure.

Implementation Plan

The e-fax solution is already in place. As customer demand increase, additional infrastructure will be added to meet demand.

Rate Calculation

This service will be offered at actual cost of standing up the service for a customer. The costs have not been determined and will be determined on a case by case basis.



Department of Technology Services

Building and supporting California's technology infrastructure.

Statewide Email Service Encryption Feature Business Plan

November 2008

E-mail Encryption Business Plan

Overview

Over the last 20 years, email has become the preferred channel of communication for state agencies and has evolved into a mission critical tool for government. Today, email is the core of communication and collaboration. As a result, the basic business requirements for email systems in terms of availability, security and remote and mobile access have become somewhat standardized. However, emerging requirements on the use of email systems such as disaster recovery, encryption of certain messages, litigation holds and archiving for document retention and new e-discovery laws, are requiring agencies to reexamine and redesign their existing email solutions.

Recent changes in constituent sentiment regarding protection of health care and personally identifiable information have resulted in both Federal and State legislation requiring its protection. Email that travels over the Internet to constituents and other agencies in the course of day-to-day business operations is unprotected. This use of un-protected communication leaves the State potentially open to administrative and legal actions due to the unintentional release of protected information.

Implementation of an encrypted email solution will allow the State to protect this confidential information. By providing an ability for agencies and departments to encrypt email, agencies will have an avenue to help protect confidential and sensitive information. Alternatively, without an ability to protect sensitive information transmitted via email, users of the Statewide Email system may find their business operations impacted and costs increased due to resorting to manual communication methods.

Business Drivers

The key business drivers for an email encryption solution are derived primarily from the need to protect private information. These drivers emanate from both legislative and administrative sources. Listed below are key business drivers and a discussion of each.

Email Encryption	
Title of Driver	Health Insurance Portability and Accountability Act Requires Secured Email
Business Driver Type	Legislative
Description	<p>The Health Insurance Portability and Accountability Act of 1996 (HIPAA, Title II) required the Department of Health and Human Services (HHS) to establish national standards for electronic health care transactions and national identifiers for providers, health plans, and employers. It also addressed the security and privacy of health data. After HIPAA passed, legislation appointed the Workgroup for Electronic Data Interchange (WEDI) to define the specific requirement for securing electronic data.</p> <p>The following is the specific requirements of the Security Rule regarding the</p>

E-mail Encryption Business Plan

	<p>use of encryption for email messaging.</p> <p>45 CFR 164.312 (e) (1) Standard: Transmission Security. Implement technical security measures to guard against unauthorized access to electronic protected health information that is being transmitted over an electronic communications network. (2) Implementation specifications: (ii) Encryption (Addressable). Implement a mechanism to encrypt electronic protected health information whenever deemed appropriate.</p> <p>The principal confidentiality controls for electronic mail are message encryption and recipient authentication. By definition, message encryption involves application of an algorithm and a small amount of secret information, a message key, to message contents.</p>
Source	Federal – Act finalized in 2003 imposing secure email for health data
Citation	Workgroup for Electronic Data Interchange. Industry Update – Secure White Paper. January 2004. Available at: http://www.hhic.org/hipaa/documents/S-418_Final-Email-WEDISNIPWhitepaper.pdf (last access 02/08/07).
Impact	High – Compliance Issue
Current Efforts	Organizations across the State are evaluating secure email solutions for future implementation. DTS is currently focusing efforts on designing a secure email solution to offer customers.
Why are current efforts insufficient?	Encryption and digital signatures are not offered by DTS today. It is unknown, if or how other organizations are employing security for health related data.
Other potential solutions	<p>Exchange 2003 can provide for secure email through a combination of features. Digital signatures address authentication and denial issues and message encryption addresses confidentiality issues. Because each addresses different issues, a message security strategy requires both at the same time. These two services are designed to be used in conjunction with one another, because each separately addresses one side of the sender-recipient relationship. Digital signatures address security issues related to senders, and encryption addresses security issues primarily related to recipients. When digital signatures and message encryption are used together HIPAA compliance can be met.</p> <p>Dozens of commercial-off-the-shelf (COTS) solutions exist that are designed for Exchange.</p>
Title of Driver	Classification of Information
Business Driver Type	Administrative
Description	Sensitive Information and Personal Information, as defined below, may occur in Public Information and/or Confidential Information. Files and databases containing sensitive and/or personal information require special precautions to prevent inappropriate disclosure. When sensitive or personal information is

E-mail Encryption Business Plan

	<p>contained in public records, care must be taken to protect it from inappropriate disclosure.</p> <p>While the need for the agency to protect data from inappropriate disclosure is important, so is the need for the agency to take necessary action to preserve the integrity of the data. Agencies must develop and implement procedures for access, handling, and maintenance of personal and sensitive information.</p> <p>Sensitive Information - information maintained by state agencies that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information may be either public or confidential. It is information that requires a higher than normal assurance of accuracy and completeness. Thus the key factor for sensitive information is that of integrity. Typically, sensitive information includes records of agency financial transactions and regulatory actions.□</p> <p>Personal Information - information that identifies or describes an individual as defined in, but not limited by, the statutes listed below. This information must be protected from inappropriate access, use, or disclosure and must be made accessible to data subjects upon request.□</p> <p>Notice-triggering personal information - specific items or personal information (name plus Social Security Number, driver's license/California identification card number, or financial account number) that may trigger a requirement to notify individuals if it is acquired by an unauthorized person. See Civil Code Sections 1798.29 and 1798.3.□</p> <p>Protected Health Information - individually identifiable information created, received, or maintained by such organizations as health care payers, health care providers, health plans, and contractors to these entities, in electronic or physical form. State laws require special precautions to protect from unauthorized use, access or disclosure. See Confidentiality of Medical Information Act, Civil Code Section 56 et seq. and the Patients' Access to Health Records Act, Health and Safety Code Sections 123100-123149.5.□</p>
Source	State
Citation	State Administrative Manual - Chapter 5300 - http://sam.dgs.ca.gov/TOC/5300/5320.5.htm
Impact	High – Multiple compliance requirements at the Federal and State levels for protection of private information
Current Efforts	Organizations across the State are evaluating secure email solutions for future implementation. DTS is currently focusing efforts on designing a secure email solution to offer customers.
Why are current efforts	Encryption and digital signatures are not offered by DTS today. It is unknown, if or how other organizations are employing security for health

E-mail Encryption Business Plan

insufficient?	related data.
Other potential solutions	<p>Exchange 2003 can provide for secure email through a combination of features. Digital signatures address authentication and denial issues and message encryption addresses confidentiality issues. Because each addresses different issues, a message security strategy requires both at the same time. These two services are designed to be used in conjunction with one another, because each separately addresses one side of the sender-recipient relationship. Digital signatures address security issues related to senders, and encryption addresses security issues primarily related to recipients. When digital signatures and message encryption are used together HIPAA compliance can be met.</p> <p>Dozens of commercial-off-the-shelf (COTS) solutions exist that are designed for Exchange.</p>

Business and Technical Requirements

Business and functional requirements for encryption are listed in the sections that follow.

Business Objectives and Requirements

The key business objectives and requirements of the system echo those of the Statewide Email system itself:

Provide a secure and reliable statewide email offering that:

- Enables agencies and departments to comply with legislative and administrative requirements when communicating via email, and
- Allows only the verified and authorized recipient of the e-mail to read it. Couriers and intermediaries may only see the delivery address, but not the contents of the email.

Reduce Cost and Complexity to:

- Reduce the number of state email systems.
- Increase the standardization of email application/version implementations supported by the State.
- Reduce the number of servers used to provide the state's email functionality.
- Reduce the staff resources required to support the state's email functionality.
- Reduce the number of independent efforts to develop new email features.

Increase Business Value to End User to:

- Increase email features and service levels available to state employees.
- Increase the number of mailboxes available in an enterprise directory.
- Increase the number of users that share calendaring functionality.

E-mail Encryption Business Plan

- Increase the availability of Service Desk for email to state employees.
- Increase availability of email services state employees.

Customer Requirements:

The lack of an encryption solution for the CA.mail service is a barrier to Customer Adoption. The following existing and potential CA.mail customers have indicated a requirement for email encryption:

<u>Organization</u>	<u>Number of mailboxes</u>
Child Support Services	500
Department of Justice	6,000
Employment Development Department	9,200
Department of Mental Health	5,000
Department of Public Health	4,500
Department of General Services	4,500
Department of Motor Vehicles	6,000

Technical Requirements

The encryption system should integrate as a standard SMTP compliant Mail Transfer Agent (MTA) into the DTS environment.

The encryption product should:

- Support subject line tagging.
- Support the transmission of secure messages that are created by automated, batch processes
- Support the encryption methods of: S/MIME and OpenPGP.
- Support multiple encryption algorithms including ARC4 and AES.
- Support re-branding by allowing the creation of multiple envelope templates.
- Provide extensive built-in reporting, including:
 - Account Usage Report
 - Message History Report
 - Retry History Report
 - Response Log Report
 - Audit History Report
 - Tracking Report
- Provide extensive logging and message search/tracking facilities.
- Not require additional client software in order to encrypt/decrypt messages.
- Support both push and pull encryption mechanisms.
- Support widely use web browsers including:
 - Microsoft® Internet Explorer 5.5 with Service Pack 1 or higher
 - Netscape Version 7 or higher
 - Firefox 1.0-1.5
 - Safari 2.0.x
- Have an administration interface that provides the ability to lock and expire encryption keys.
- Have an administration GUI that is accessible through HTTPS.
- Have a search facility that supports ad hoc queries.

See attac
page 4

E-mail Encryption Business Plan

- Support content filtering.
- Support regular expression matching.
- Support inbound and outbound routing to multiple relay hosts.
- Process and encrypt email based upon subject, message source and destination, other email headers, and email attachments.
- Provide monitoring and/or notification capabilities.
- Integrate with existing data contained within an LDAP directory store.
- Support the use of external database systems for storage of credentials.
- Provide extensive, configurable message tracking and logging capabilities
- Provide access control for a business group that can be delegated to the group representative(s) using an ACL-controlled account/group/user structure
- Provide message routing or policy that can be managed at the group level, with routing, encryption and delivery decisions made based on sending domain, sending user or user attributes located in directories or databases.
- Support non-US character sets.

E-mail Encryption Business Plan

Implementation Plan

Implementation of the encryption solution should take approximately 60 days and will include the following high level phases:

- Evaluation – Formal evaluation of the selected product and integration testing
- Pilot – Pilot project involving an SWE email user.
- Procurement – Acquisition of the hardware and software for the solution.
- Production Implementation – Implementation of the proposed system.

Specific technical implementation details are listed below:

Phase/Activity	Deliverable
<i>Preparation Phase</i>	
1. Review High Level design	
2. Prepare license and branding files	
3. Coordinate logistics	
4. Conduct Project Kick-off meeting	
<i>Core Installation Phase</i>	
1. Develop low level design	Low Level Design Document
2. Create Database	
3. Core software installation	
4. Test Core software installation	
5. Install SSL	Core System Installed
<i>Custom Installation Phase</i>	
1. Define policy matchers	
2. Configure applications	
3. Define custom lookups	
4. Perform basic testing	
5. Configure other processing rules	
6. Perform processing test	Customer Policies Installed
<i>Configure Branding Phase</i>	
1. Configure enrollment notification	
2. Configure secure envelope Greeting	
3. Configure envelope user interface	
4. Configure message bar	
5. Configure enrollment page	
6. Configure secure reply	
7. Configure other pages as needed	DTS Custom Branding installed
<i>Test Planning and Execution Phase</i>	
1. Create test plan	System Test Plan

E-mail Encryption Business Plan

2. Execute test plan	
3. Adjust configuration and branding	Installed System ready for Pilot Phase
<i>Pilot Phase</i>	
1. Pilot customer training	
2. Pilot customer test	
<i>Production Phase</i>	
1. Configure branding for each production customer (if needed)	
2. Notify and train customers	
<i>Training and Turnover Phase</i>	
1. Finalize project documentation	Finalized Project Documents
2. Deliver training to DTS staff on installed system	
3. Backup existing configurations	
4. Conduct Project closeout meeting	

Rate Calculation

This service will be at actual cost of standing up the service. Costs have not been determined and will be determined on a case by case basis.

Most encryption solutions don't require any client software. Some have Outlook "plug-ins" available, but typically they're not required. Most solutions work in two ways. When a user sends an email to a recipient (the recipient is someone outside of the email environment - so it wouldn't be me to you, it would be me to someone at Microsoft as an example), the email sender will put a tag in the subject line (something like ENCRYPT:), and the server software or appliance will know to encrypt the message and send it to the recipient. The other way it can work is it can do content inspection and if it finds something in the email that meets the criteria, it will encrypt it and then send it out. It may look for things like SSN, credit card number, etc. All of the encryption is done on an encryption server or appliance, not on the workstation.

As I said there are some solutions that have Outlook plug-ins that may put a button in Outlook that will tell the encryption server or appliance to encrypt the message.

From a recipient perspective, all of the recipients will be outside of CA.mail, so there is nothing that we can do to make them install software. When they receive an encrypted email, they will be directed to a website to access the email. No software to install.